



CALISTA CORPORATION
www.calistacorp.com

STORYKNIFE

THE VOICE OF THE REGION

Yaarnin



MAR./APR. 2018 • CALISTA CORPORATION NEWSLETTER



Water sampling on Crooked Creek

DONLIN GOLD PROMISES RESPONSIBLE DEVELOPMENT

Calista Corporation believes in the responsible development of our resources. Calista owns the minerals rights and some surface rights of the Donlin Gold project. Over the past several decades, we have been very involved in every aspect of planning for the Donlin Gold project, including working with YK Tribes, Donlin Gold, federal and state agencies, and the people of the YK Region to ensure responsible development.

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David Evon is a licensed certified nursing assistant at Bethel's Yukon Kuskokwim Elders Home.

LEADERS FROM THE REGION

DAVID EVON, 2017 CALISTA YOUTH/EDUCATOR OF THE YEAR AWARD WINNER

The Yup'ik culture teaches respect for our Elders and an important part of that is helping to care for our Elders as they age. Our Elders understand our traditions and are the leaders in our families. While many Elders are cared for by their loved ones, often they also require outside care by skilled and compassionate professionals. The people who choose careers in the Elder care industry should be recognized for their contributions which help the leaders of our communities and families.

David Evon of Bethel is the 2017 Shareholder Award's Calista Youth/Educator of the Year. Evon is a licensed certified nursing assistant (CNA) and works at the Yukon Kuskokwim Elders Home in Bethel. Evon attended Bethel Regional High School and then received his CNA at the Kuskokwim Learning Academy.

The Yukon Kuskokwim Elders Home is a long-term care facility. It provides 24-hour care for patients, in a comfortable, home-like setting. Evon has been working at the Yukon Kuskokwim Elders Home for four years and says he enjoys his job. "The job is rewarding because I am learning from my Elders, and learning the Yup'ik language and the life they had."

"I HOPE TO INSPIRE PEOPLE TO CHASE AFTER THEIR DREAMS AND CONTINUE THEIR EDUCATION; TO BE A LEADER, OPTIMISTIC, ADVENTURER AND EDUCATOR."

— EDUCATOR OF THE YEAR DAVID EVON

Evon said he is honored to be recognized with the Shareholder Award. "It inspires me to work hard and continue my education," Evon said about receiving the award. He hopes to encourage Youth to continue their education as well in order to pursue their dream jobs. "If you love your job, you don't have to work a day in your life."

Evon credits his family for his hard work ethic. "I have to thank my mother, Helen Sorensen, for believing I can do great things in life. I also want to thank my father, Richard Evon, for teaching me to be brave, strong and stand my ground."

CHECK OUT THE NEW LOOK OF OUR WEBSITE

The website www.calistacorp.com for Calista Corporation is sporting a new design. The changes were done with the Shareholders living in the Region in mind. We know internet speeds can be slow in rural Alaska, and it can take forever to load pages. We wanted users to be able to easily access the site, so the redesigned website has less bandwidth, meaning it will load faster even on slower internet speeds.

"With the new changes, Shareholders can more easily access forms," said Thom Leonard, communications manager for Calista. "We put all common non-enrollment forms on one page. And we made the forms fillable, too. Shareholders can optionally download the free Adobe Acrobat Reader app. It lets users complete and even sign fillable PDFs with a finger."

Over 40 percent of our website visitors use mobile devices like smartphones and tablets to view the site.

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BOARD MESSAGES

George Guy, Board Chair

Spring is always a happy time that marks new beginnings. We enjoy longer days with the sunshine, the green grass begins to peek through the snow, and soon we will see new life welcomed into the world as the wildlife begin to give birth.

This spring, we also welcome new life into our corporation with the addition of thousands of new Shareholders. What an amazing time to be part of Calista Corporation! If you are a new Shareholder reading this message, welcome.

Spring also marks the yearly dividend distribution. This year, about 12,000 new Shareholders will receive a spring dividend for the first time. We are excited to announce that once again, this year's total dividend amount has increased. This is a testament to the commitment of our corporation leadership and the hardworking employees at Calista and our many subsidiaries. Successful corporate business operations and investments result in our ability to pay dividends.

We are honored to be able to provide our Shareholders with financial benefits for being owners of this corporation. We know that any amount of money can help our Shareholders in rural Alaska who often struggle

with the high cost of living. While dividend distributions are certainly one benefit of being a Shareholder, there are many other advantages I hope our new generation of Shareholders will appreciate.

As a Shareholder, you now have a voice in our corporation and I encourage you to use that voice. There are many ways to be an active member of our corporation including staying informed, providing us with feedback and voting.

In President Andrew Guy's message, he talks about our newly redesigned website, www.calistacorp.com. Please visit our website and learn more about our corporation's operations. Did you know that some of our subsidiaries operate outside of the U.S.? Visit the website and follow our social media accounts on Facebook and Twitter.

You will receive a voting packet in mid-May. I encourage you to take time to read about Board candidates and resolutions and, if you are eligible, vote. With your new shares come responsibilities and one of the most important is helping us make decisions on the direction of the corporation.

Welcome!



PRESIDENT'S MESSAGE

Andrew Guy, President and CEO

I am excited to announce the launch of the newly upgraded www.calistacorp.com.

Our company website has a new look and organizational structure. All of the changes were made strategically to benefit our Shareholders. We understand the challenges of using the internet in many parts of the Calista Region. Internet speeds are slower – which is why we created this website to use less bandwidth, which will make it much easier for our Shareholders in remote villages to access and view information.

Having a website that reflects our values, and is easily accessible to our Shareholders, is very important to me, and the rest of the leadership team at Calista. In recent years, we have made an ongoing push to increase communication between the corporation and our Shareholders. This is yet another example of how we are investing in our Shareholders.

The website also helps our customers and business partners get to know us a little better. There are many tools businesses need to operate effectively, and in today's business environment, a polished website is one of the most important. Years ago, the receptionist was the first face of the business people would see, but today it is often the company website.

Websites are used for many purposes in business. They serve as a hub for information by sharing background, employee and business information. Websites are also an important source of communication, containing important phone numbers, addresses, and communication materials like press releases and social media accounts.

As technology and user-platforms change, websites age and need continual upgrades and maintenance in order to continue to operate smoothly. We recently completed major upgrades to our company website.

I would encourage you to visit www.calistacorp.com and take a look at the new design. Please spend some time learning about our business. You will find detailed information about our corporation, the latest Storyknife edition, and information about job openings within the corporation and our subsidiaries. We also have a catalog of wonderful stories about leaders from around the Region in our Calista On My Side section.

We hope our newly redesigned website reflects our culture, commitment and a new generation of Shareholders.



George Guy, Chair

“WELCOME NEW SHAREHOLDERS. I LOOK FORWARD TO HEARING FROM YOU AND HAVING YOU JOIN US IN CONTINUING TO MAKE OUR CORPORATION SUCCESSFUL AND BENEFICIAL TO ALL OUR SHAREHOLDERS”

[Facebook.com/CalistaCorporation](https://www.facebook.com/CalistaCorporation)

[Twitter.com/CalistaCorp](https://twitter.com/CalistaCorp)



“A COMPANY WEBSITE IS VERY IMPORTANT TO BUSINESS OPERATIONS. ROUTINE UPGRADES ARE NECESSARY IN ORDER TO KEEP IT OPERATING SMOOTHLY. OUR NEW DESIGN WILL MAKE WWW.CALISTACORP.COM MORE ACCESSIBLE TO PEOPLE IN OUR REGION.”

SHAREHOLDERS RECEIVE \$6.1 MILLION SPRING DIVIDEND

Calista Corporation's Board of Directors approved a 2018 spring dividend. Calista's first dividend of the year totals \$6.17 million, up from \$5.95 million in 2017. The corporation estimates approximately 25,000 Shareholders will be eligible for this dividend.

Calista's dividends are distributed by share and the company estimates the spring dividend will be approximately \$2.46 per share. The spring dividend distribution is expected to be released for direct deposit and mailed out in mid-April.

The spring dividend is a huge economic boost to the Calista Region, and provides some relief to Shareholders. "About 92 percent of Shareholders live in Alaska, this means \$5.7 million will be distributed to Shareholders around the state," said Calista Corporation President and CEO Andrew Guy.

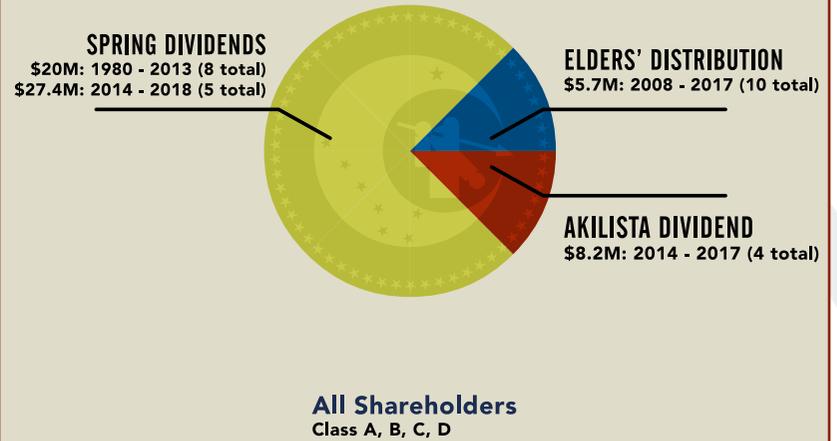
The 2018 spring dividend is the first dividend to include new Class C and Class D Shareholders. In 2015, original Shareholders approved a resolution to expand enrollment to include Descendants and missed enrollees. The new shares were first distributed in December 2017.

This dividend continues a streak of consecutive Calista dividends. Calista has declared two dividends each year since 2014, for a total of 17 dividends since inception. The total distribution of all 13 spring Shareholder dividends is \$47.4 million, and all four fall Akilista dividends total \$8.2 million.

CALISTA CORPORATION

\$6.1 Million

Direct deposit/mail by April 13



To receive your dividend, you must have your correct address on file. You can verify or update your address for free on our secure portal, MyCalista.com. Direct deposit forms are available on MyCalista.com.



CHECK OUT THE NEW LOOK OF OUR WEBSITE

CONTINUED FROM PAGE 1



Our newly redesigned website is mobile-friendly, and scalable from desktop down to smartphone. Additionally, it takes fewer clicks to reach the desired information. There are also icons on pages that let readers easily share information via tweet, Facebook share and more.

"I AM REALLY EXCITED ABOUT CALISTA'S NEW WEBSITE. WE ACHIEVED OUR GOALS TO MAKE THE WEBSITE USE AS LITTLE BANDWIDTH AS POSSIBLE. THAT MEANS REMOTE AREAS WITH SLOW INTERNET SPEEDS SHOULD EXPERIENCE LITTLE TO NO DELAYS IN ACCESSING THE SITE."

— THOM LEONARD, COMMUNICATIONS
MANAGER FOR CALISTA CORPORATION

Most visited pages:

- Enrollment Information
- Human Resources
- Shareholder Information

Visit www.calistacorp.com and see the cool, new changes for yourself.

SUPPORTING A SETTLEMENT TRUST HELPS CALISTA AND ITS SHAREHOLDERS SAVE MILLIONS

Calista believes when you receive a dividend, you deserve to keep the entire dividend amount. Right now, Calista Shareholder dividends and Elders' benefits aren't taxed by the federal government. However, in a few years, the federal government will start requiring Shareholders to pay tax on their dividends and Elders to pay tax on their distributions.

Once the federal government starts taxing, taxes will vary by Shareholder. A Shareholder in the 20% tax bracket will have to send \$20 out of every \$100 in dividends to the federal government rather than keeping the money.

However, Shareholders and Elders can avoid these taxes by establishing a settlement trust, like many other ANCs have done. And up for vote this year is a resolution to create a Calista Corporation Settlement Trust.

Here's how a settlement trust works:

Calista contributes money and other assets into a settlement trust. The trust will then make distributions that could include: Shareholder dividends, scholarships, Elders' benefits and funeral assistance.

A settlement trust pays a very low tax rate. If a settlement trust is established, Calista will pay millions less in taxes and Shareholders and Elders will not pay federal tax on money received. Without a settlement trust, when Calista pays dividends and Elders' benefits, it receives no tax deduction and pays millions of dollars to Uncle Sam each year. With a settlement trust, Calista can receive a tax deduction



Tillie Tommy and 2-year old Kari Tommy of Bethel.

that will save many millions. Paying millions to Uncle Sam means there is less money to distribute among Shareholders and Elders. Many other ANCs use settlement trusts to reduce taxes including Ahtna, Chugach Alaska Corporation, and Afognak.

While there are many benefits to establishing a settlement trust, there are some challenges. A settlement trust requires management time, particularly when it is first established. And, over 50 percent of votes cast this year must vote in favor of the settlement trust resolution.

By saving millions of dollars, Calista can set aside more money to be used for Shareholders and Elders. That's a win for Shareholders and a win for Calista.

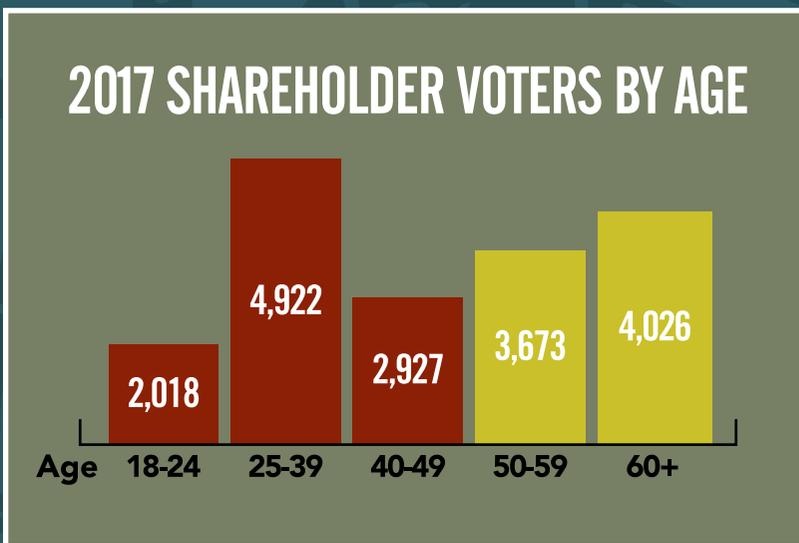
SHAREHOLDERS: YOU HAVE A VOICE, PLEASE USE IT!

Becoming a Calista Corporation Shareholder comes with a number of exciting benefits including receiving dividends, job and scholarship opportunities, and Calista advocating for issues on your behalf. Calista welcomed thousands of new Shareholders into the corporation at the end of last year. With a new generation of leaders entering the corporation, we want to encourage this new generation of leaders entering the corporation and all our Shareholders to actively participate.

Shareholders are important members of Calista. One of the most important responsibilities of being a Shareholder is exercising your right to vote. You have a voice in selecting Board leadership, adopting resolutions and more. We value the voices of our Shareholders and we want you to be the ones making the decisions through voting.

Soon you will have an opportunity to vote at the Annual Meeting of Shareholders. In recent years, we have seen low voter turnout and this could have unfortunate and serious consequences for our corporation. You will receive Annual Meeting materials and a proxy voting packet when they are distributed in mid-May. **Please vote when you receive your materials.** Last year, 71 percent of all proxy votes were received in the first two weeks of Shareholders receiving the packets.

You can also vote online at www.CalistaVote.com. Since 2014, we have been offering online voting and we are seeing an increase in participation every year. Online voting is secure, simple and you will



receive immediate confirmation of your successful vote. You are also eligible for additional proxy prizes when you vote online! We hope by offering an easier way to vote, we can increase the number of Shareholders participating in our elections. You can vote online in less than four minutes.

Casting your vote only takes a few minutes and it is essential to the future of this corporation. If you are an original Shareholder, please set a good example for new Shareholders by voting. If you are a new Shareholder, please mark this exciting chapter by casting your very

TREE-FRIENDLY CHANGE TO ANNUAL MEETING MATERIAL DELIVERY



An important notice regarding delivery of Annual Meeting materials was mailed to every Shareholder on March 16. Calista Corporation's Board of Directors recently approved a change to save about three tons of paper and over \$40,000 each year by reducing the number of Annual Meeting packets mailed.

The same: Each voting Shareholder will receive his or her own proxy voting form to vote online or by paper, if they receive their Annual Meeting materials by mail. And each Shareholder will still have access to all Annual Meeting materials.

What's new: One Annual Meeting packet with the remaining items (annual report book, proxy statement, agenda, proxy prizes, etc.) will be sent to each household, rather than one per Shareholder.

A copy of the full notice to Shareholders can be found on Calista's website in the Annual Meeting section. If a Shareholder wishes to individually receive the Annual Meeting packet and use about 100 pages of paper, he or she can contact Shareholder Services.

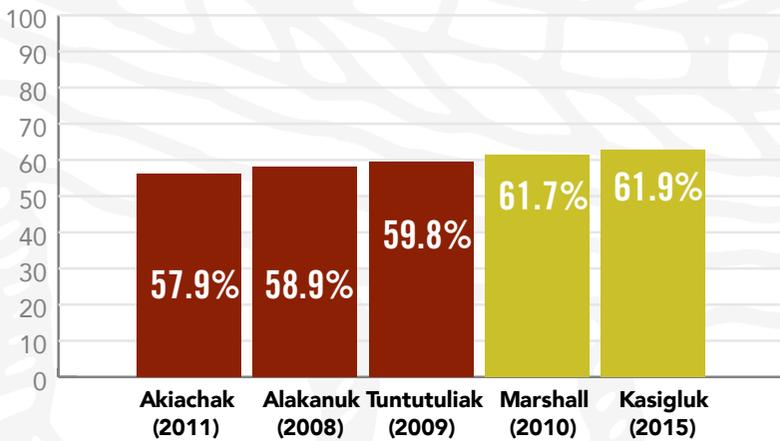
Calista Corporation, 5015 Business Park Blvd., Suite 3000, Anchorage, Alaska 99503 1-800-277-5516

CURRENT SHAREHOLDER LOCATIONS

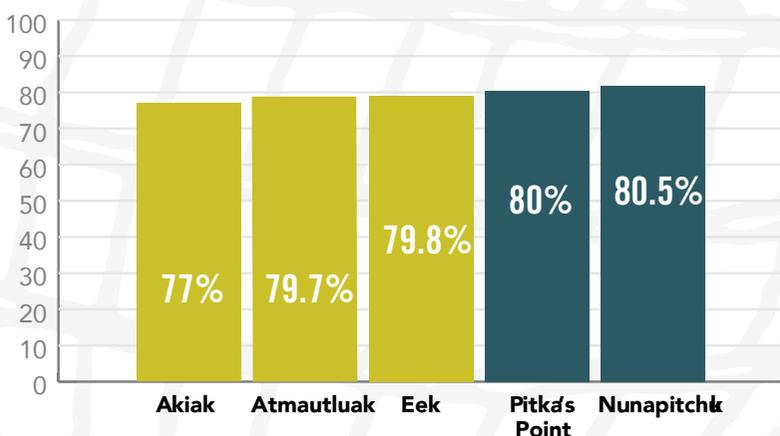
YK Delta	56%
Bethel	10%
Anchorage	16%
Alaska	10%
Outside	8%

TOTAL: 25,000

HIGHEST VOTING PERCENTAGES AT AN ANNUAL MEETING



HIGHEST VOTER PARTICIPATION FOR 2017



2018 ANNUAL MEETING INFO

- May 16** Annual Meeting packet distributed, one per household, proxy voting begins
- July 2** 5pm proxy voting ends
- July 6** Annual Meeting of Shareholders, final chance to vote (in-person only). Meeting begins 1pm, Bethel Regional High School

Voting website: www.CalistaVote.com
 Top cash proxy prizes: \$10,000

DONLIN GOLD PROMISES RESPONSIBLE DEVELOPMENT

CONTINUED FROM PAGE 1

Donlin Gold's proposed water treatment system provides the highest level of controls. The quality of the discharged water must meet strict state and federal standards, which protect current and potential future uses of Crooked Creek. Modern mining companies and even municipal water treatment facilities around the world have proven this technology to be extremely effective in removing unwanted contaminants from the water. For example, the arsenic and mercury levels in the discharge will be lower than existing natural levels found in the stream today. Using this technology, the water discharged from the mine will meet drinking water standards.

Before construction begins, the state requires a bond ensuring proper water management and treatment is paid for as long as it is needed.

As shown in the Environmental Impact Statement (EIS), long-term effective water treatment will cost hundreds of millions of dollars. Donlin Gold has proposed to pay into a trust fund during operations so at the end of mining, there will be enough money in the fund to pay for necessary treatment as long as it is needed. As a result of this trust fund, future treatment will not depend on the financial health of Donlin Gold or any other company. Moreover, trust fund monies cannot be released without Calista and the state agreeing to do so.

The EPA places important consideration on the environmental review, undergoing a very rigorous analysis of the potential impacts to the environment, and the health and welfare of our Shareholders. For example, the EIS shows that contributions

of mercury to the air, land and water from the project will be minimal, even in the nearby subsistence related resources used by the village of Crooked Creek. All the regulated, best available, controls and mitigation measures highlighted in the EIS show there's no demonstrated mercury risk associated with the project.

The six major mines currently operating in Alaska have a tremendous track record of protecting the water quality and fish. For example, Rock Creek Mine never caused damage to fish and was successfully closed and reclaimed without any long-term water treatment. In fact, Bering Straits Native Corporation received the Alaska Department of Natural Resources reclamation award in 2016 in recognition of the successful implementation of the closure plan.

Calista has taken a very detailed and comprehensive approach to developing Donlin Gold Mine and understands this project represents a great opportunity for our Region and Shareholders. One of our duties as a Native Corporation is to responsibly develop the land.

The original Calista Board, including Chief Eddie Hoffman, and others selected this land under ANCSA to provide economic opportunities for our Region while safeguarding our resources for future generations. We intend to continue to do so while providing future opportunities for our Youth. We asked Donlin Gold to help us develop our land because we trust they will do it right. Additionally, qualified Calista Shareholders and Descendants will be doing much of the work – our iluqs, our neighbors, our friends.



Donlin Gold's Joe Bobby and Dan Twitchell conduct work at a mercury monitoring station.

BETHEL

FIRST DAY OF SPRING



Calista recently captured new photos of Bethel that you'll be seeing in upcoming advertising and marketing campaigns. Thank you to all who took part. It happened to be the first day of Spring.

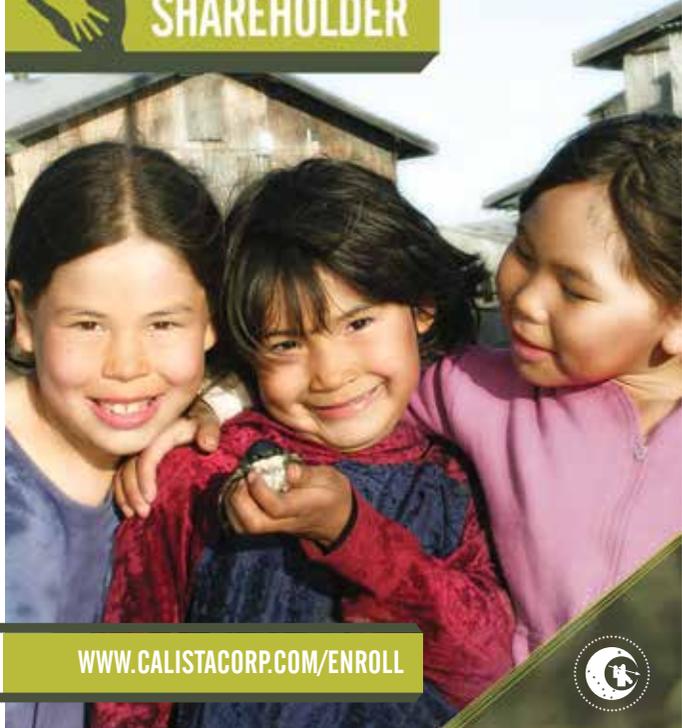
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**BECOME A
SHAREHOLDER**



WWW.CALISTACORP.COM/ENROLL



PERSONAL DATA FORM - MAR./APR. 2018

Shareholder Name _____

New Mailing Address _____

City _____ State _____ Zip _____

Phone _____ Last 4 SSN _____

Birth Year _____

Would you like Calista to send you new Will forms? Yes No

Calista Shares _____

Village Corporation Shares _____

Please change my address as I have indicated above. I understand that you cannot make address changes without my permission and signature, which I hereby give of my own free will and without constraint. I further authorize Calista and its subsidiaries to share this information internally and in accordance with law.

Shareholder Signature _____
(Two witnesses are required if Shareholder signs with an "X.")

Date _____

Signature of Witness 1 _____

Signature of Witness 2 _____

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